



National Clearing Company of Pakistan Limited

8th Floor, Pakistan Stock Exchange Building, Stock Exchange Road, Karachi

NCCPL/CM/FEBRUARY-21/03

February 3, 2021

CAPITAL ADEQUACY REQUIREMENT
REVIEWED/AUDITED FINANCIAL STATEMENTS CONTAINING CERTIFICATE
OF NET CAPITAL BALANCE “NCB”

Dear Broker Clearing Members,

All Broker Clearing Members “BCMs” are hereby notified to submit Audited/ Reviewed (whichever is applicable) **Net Capital Balance “NCB”** certificate as of **December 31, 2020** in accordance with Regulation 6(3) of Securities Brokers (Licensing & Operation) Regulations, 2016.

In light of the above, BCMs’ whose financial year end is **June 30** shall submit their external auditor **reviewed second quarter NCB** certificate to NCCPL latest by **March 15, 2021**.

BCMs’ whose financial year end is **December 31** shall submit their **annual audited financial statements** including **NCB certificate** to NCCPL latest by **April 30, 2021**.

Please note that above stated submissions shall only be accepted during **business hours (i.e. till 5:30 PM)** and the subsequent NCB value adjustment in NCCPL systems shall take place within **two working days’** post submission.

Further, BCMs’ who wish to allocate a portion of their **NCB** for **Debt Market** trading are requested to intimate allocated values to NCCPL accordingly.

Please be advised that non-compliance of above stated timelines may result in enforcement action as prescribed under **Regulation 6(6) of Securities Brokers (Licensing & Operation) Regulations, 2016;**

“In case of non-submission of statements of net capital balance and liquid capital within a time period as may be notified by the exchange, and clearing house or any shortfall in the net capital balance and/or liquid capital, either reported by the securities broker or identified by the securities exchange, clearing house or the Commission, the securities exchange, and clearing house shall immediately restrict the trading facility of such securities broker and shall only allow it to close out the open position in a controlled environment.”

In addition to the above reviewed/ audited statements; BCMs shall continue to submit monthly unaudited **Net Capital Balance “NCB”** and **Liquid Capital “LC”** statement with securities exchange and clearing house as per **Regulation 6(3) of Securities Broker (Licensing & Operation) Regulations, 2016**, in a timely manner.

For any further queries or concerns, please feel free to contact the Customer Support Department at UAN No. 021-111-111-622.

Regards,

Sd

Syed Abdul Ahad Hasan
Senior Manager – PD & CSS

CC:

Chief Executive Officer - Pakistan Stock Exchange Limited